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# HOUSE BILL No. 1722

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-1-9; IC 36-1-3-8.5

**Synopsis:** Lawsuits involving legal products. Prohibits the state or a municipal corporation, including a county, municipality, township, school corporation, or any other separate local governmental entity that may sue and be sued, from bringing an action against a person who legally designs, manufactures, markets, or sells a product for: (1) recovery of damages resulting from, or injunctive relief or abatement of a nuisance relating to, the lawful design, manufacture, marketing, or sale of the product; or (2) recovery of damages resulting from the criminal or unlawful misuse of the product by a third party.

**Effective:** Upon passage.

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January 17, 2001, read first time and referred to Committee on Agriculture, Natural Resources and Rural Development.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1722

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and local government.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-1-9 IS ADDED TO THE INDIANA CODE AS  
2       A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
3       PASSAGE]:

4       **Chapter 9. Lawsuits Involving Legal Products**

5       **Sec. 1. As used in this chapter, "person" means an individual, a**  
6       **corporation, a limited liability company, a partnership, or another**  
7       **legal entity.**

8       **Sec. 2. Except as provided in sections 3 and 4 of this chapter, the**  
9       **state may not bring an action against a person who legally designs,**  
10       **manufactures, markets, or sells a product for:**

11       **(1) recovery of damages resulting from, or injunctive relief or**  
12       **abatement of a nuisance relating to, the lawful:**

13       **(A) design;**

14       **(B) manufacture;**

15       **(C) marketing; or**

16       **(D) sale;**

17       **of the product; or**



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(2) recovery of damages resulting from the criminal or unlawful misuse of the product by a third party.

**Sec. 3. (a)** The state may bring an action described in section 2 of this chapter if the action is approved in advance by the general assembly:

(1) in a concurrent resolution; or

(2) by enactment of a law.

**(b)** This section does not create a cause of action.

**Sec. 4.** Nothing in this chapter may be construed to prohibit the state from bringing an action against a person who designs, manufactures, markets, or sells a product for recovery of damages for the following:

(1) Breach of contract or warranty concerning a product purchased by the state.

(2) Damage or harm to property owned or leased by the state caused by a defective product.

(3) Injunctive relief to enforce a valid statute, rule, or ordinance.

SECTION 2. IC 36-1-3-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. (a)** As used in this section, "person" means an individual, a corporation, a limited liability company, a partnership, or another legal entity.

**(b)** Except as provided in subsections (c) and (d), a municipal corporation may not bring an action against a person who legally designs, manufactures, markets, or sells a product for:

(1) recovery of damages resulting from, or injunctive relief or abatement of a nuisance relating to, the lawful:

(A) design;

(B) manufacture;

(C) marketing; or

(D) sale;

of the product; or

(2) recovery of damages resulting from the criminal or unlawful misuse of the product by a third party.

**(c)** A municipal corporation may bring an action described in subsection (b) if the action is approved in advance by the general assembly:

(1) in a concurrent resolution; or

(2) by enactment of a law.

**This subsection does not create a cause of action.**

**(d)** Nothing in this section may be construed to prohibit a



1 municipal corporation from bringing an action against a person  
2 who designs, manufactures, markets, or sells a product for  
3 recovery of damages for the following:

4 (1) Breach of contract or warranty concerning a product  
5 purchased by the municipal corporation.

6 (2) Damage or harm to property owned or leased by the  
7 municipal corporation caused by a defective product.

8 (3) Injunctive relief to enforce a valid statute, rule, or  
9 ordinance.

10 SECTION 3. [EFFECTIVE UPON PASSAGE] IC 4-1-9 and  
11 IC 36-1-3-8.5, both as added by this act, apply only to actions  
12 commenced after the effective date of this act.

13 SECTION 4. An emergency is declared for this act.

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